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MINISTRY OF COMMERCE AND INDUSTRY

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 15th June 1953

SUBJECT:—*Registration Scheme—Principles governing allotment of numbers—Licensing of Imports and Exports.*

No. 90-ITC(P.N.)/53.—In supersession of Public Notice No. 122-ITC(P.N.)/52, dated the 22nd November, 1952, as amended by Public Notice No. 27-ITC(P.N.)/53, dated the 14th February, 1953, the following decision taken by the Government of India in connection with the production of Income Tax Verification Certificates and the allotment of Registration Numbers and the procedure to be adopted for applying for exemption from the production of such certificates are hereby published for general information.

2. The allotment of both Income-tax Verification Registration Numbers and Exemption Numbers will only be done by the following authorities, whose jurisdiction is shown in Annexure III:—

1. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.
2. Joint Chief Controller of Imports and Exports, Gulam Mohd. Building, Ballard Estate, Nicol Road, Bombay.
3. Deputy Chief Controller of Imports and Exports, Custom House, Madras.
4. Deputy Chief Controller of Imports and Exports, Willingdon Island, P.O., Cochin.
5. Export Trade Controller, Amritsar.

3. All prospective applicants for import/export licences except those mentioned in paragraphs 6 and 11 below should make an application in the form prescribed in Annexure I to the Public Notice and present it in duplicate to the proper Income-tax authority (specified in paragraph 4 below) who will then verify the particulars from their records, subscribe the necessary verification certificates on all the copies required and return them to the applicant so as to enable him to forward the same to one of the officers referred to in the preceding paragraph. *The applicants should note that each page of the I.V.C. should bear the seal and signature of the I.T.C. concerned.* It is not necessary to obtain a separate number from each licensing authority, as for instance, a Registration Number allotted by the Joint Chief Controller of Imports and Exports, Calcutta will be held valid by the Joint Chief Controller of Imports and Exports, Bombay and vice versa and so on.

4. The proper Income-tax authorities for the purpose of this Public Notice will be the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or is assessable to Income-tax. The certificates may also be issued in Bombay and Calcutta by the Headquarters Assistant Commissioners of Income-tax and in Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax.

5. The Registration Number allotted against a complete Income-tax Verification Certificate will be valid for the half-yearly licensing period in which the certificate is issued and for the next two half-yearly licensing periods. For instance, on an Income-tax Officer's Certificate issued during June 1953, a Registration Number allotted would ordinarily be valid for the January-June, 1953, as well as for the next two periods July-December 1953 and January-June 1954. For this purpose a distinctive symbol is given on the Registration Numbers and shows the month and year when its validity expires. It would be in the interest of applicants, if the Income-tax Verification Numbers are duly obtained by them each year as a matter of routine.

6. Such Government or Semi-Government Institutions as are not liable to income-tax need not apply for either the Registration of Exemption Number and may submit applications for licences without quoting either number.

7. The following classes of applicants are required to obtain exemption numbers and should apply in the prescribed form (Annexure I) to the proper authority as prescribed in Annexure III:—

- (i) Applicants who had no taxable income during any of the previous five years;
- (ii) Those who are not liable to tax under Section 4(3) of the Indian Income-tax Act 1922.

8(a)(1). Applicants whose cases are governed by paragraph 7 above will be required to declare on a stamped affidavit in the form given in Annexure II, before a Magistrate or an Oath Commissioner, the fact that they had no income in the past five years liable to tax, given the reasons thereof or that they are exempt from payment of tax under Section 4(3) of the Indian Income-tax Act, 1922, as the case may be, and present such affidavits along with the application (Annexure I) in duplicate and such other documents as have been prescribed to the Income-tax Officer concerned. The Income-tax Officer will after satisfying himself of the correctness of the facts stated in the affidavit endorse the appropriate certificate on the application and return the original application except the duplicate application and all other documents, the affidavits and the duplicate copies of the enclosures mentioned in Item 9 of Annexure I, all of which will be retained by the Income-tax Officer. The dependent will thereupon present the application along with the other prescribed accompaniments to one of the authorities mentioned in paragraph 2 above for necessary action.

(2) Where, however, an applicant who is (would have been) liable to tax in the status of an individual or Hindu Undivided Family, has been submitting regularly during the past 5 years, his returns of total income to the Income-tax Officer concerned, but no tax was levied as the income was below taxable limit, he need not file any affidavit.

8(b). Where in cases falling under paragraph 7 the applicant is a "Private Limited Company", "Public Limited Company", "Partnership Concern" or "Proprietary Concern" the applications for exemption numbers should be accompanied by the following documents:—

(i) (a) *Private limited companies*.—I.V.C./Affidavit of all directors, as also of these shareholders, who hold more than 10 per cent. of the shares of the company or the value of these (such shareholder's) share holding is Rs. 10,000 or above, about their income from all sources for the past 5 years.

(b) Where none of the shareholders hold more than 10 per cent of the shares of the Company and where the value of shares of the Company held by any shareholder does not exceed Rs. 10,000 I.V.C./Affidavit of all the shareholders including the directors about their income from all sources for the past five years (see also Item 9(i) to Annexure I).

(ii) *Public limited companies*.—Incorporation Certificate and Certificate to prove that this is a Public Limited Company.

(iii) *Partnership concerns*.—Income-tax Verification Certificates or Affidavits of all partners about their income from all sources for the last 5 years.

(iv) *Proprietary concerns*.—Income-tax Verification Certificates or Affidavits of the proprietor about his income from all sources for the past five years. (No affidavits need be filed in respect of cases covered by paragraph 8(a) (2)).

9. In the case of applicants falling under paragraph 7, the authorities mentioned in paragraph 2 above, will, on production of the application (Annexure I) duly complete, allot an Exemption Number.

10. Residents in Jammu and Kashmir and in Chandernagore who do not hold valid numbers and who wish to obtain such number for the first time should write directly to the Export Trade Controller, Amritsar (in case of Jammu and Kashmir) or the Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta, (in case of Chandernagore), in that behalf stating that they have had no assessable income in the Indian Union outside these areas. This undertaking should be furnished in the form of an affidavit on a "two rupee" stamp paper. They need not fill in any income-tax verification certificate as no Income-tax Officer functions in these areas. *The applicants should obtain fresh numbers before the expiry of their old numbers, if any, failing which they will have to produce the necessary affidavit as in the case of the new applicants.*

11. In the case of displaced persons who have been forced to migrate to India from Pakistan and have not completed one calendar year of their residence in India, it would not be necessary to produce the usual affidavit on a stamped paper to the Income-tax Officers for getting an Exemption Number at a subsequent stage. Such persons will instead produce the Refugee Registration Card or the Camp Commandant Certificate before the Income-tax Officer along with the application (in duplicate). The Income Tax Officer will dispense with the production of Affidavit and after entering such applications in his register, will endorse on the original, a certificate in the usual form incorporating these facts. The original will be returned to the applicant and the duplicate retained by the Income-tax Officer. On presentation of such completed documents the authority concerned would allot an Exemption Number.

12. The period of validity of Exemption Numbers will be calculated on the same basis as is laid down in respect of Income-tax Registration Numbers, *vide* paragraph 5 above.

13. In the case of Co-operative Societies, an Income-tax Verification Certificate Registration of Exemption Number will be required to be furnished, but for this purpose the Society will be treated as one unit and it will not be necessary for its members to obtain separate numbers individually. A number allotted to the Society will not be held valid for any application for Import/Export Licences submitted by any of its members in his individual capacity. Applications by the Society should be furnished in the form and manner prescribed for applicants who wish to obtain Registration or Exemption Numbers.

14. All applicants for import and export licences should get the Registration Numbers (which include Exemption Numbers also) and quote them in the relevant column of their applications for import and export licences except as hereinafter provided.

15. On the export side the necessity of quoting an Exemption or a Registration Number is dispensed with in the following cases:—

- (i) Personal belongings.
- (ii) Post Parcel Gifts.
- (iii) Applications from Charitable Institutions.
- (iv) Shipments or exhibits to trade fairs and exhibitions in which Indian producers may be participating.
- (v) Shipments of Handloom Cloth.
- (vi) Non-commercial exports of small values like exposed educational films etc.

16. On the import side the production of such numbers has been dispensed with in the following cases:—

- (i) Import of Personal belongings of small value.
- (ii) Unsolicited gifts of small values where no exchange remittances is involved, and
- (iii) Goods required for actual use in educational or charitable institutions which are exempt from payment of Income-tax.

17. *Foreign Nationals.*—(a) Applicants who are nationals of Tibet, Nepal or any other adjoining foreign territory are not required to quote any Registration/Exemption Number provided they do not conduct their business in India and the goods imported are meant as in transit to the territory of which they are the resident.

(b) Applicants from foreign territories who are conducting their business in India and also those Indian who are conducting business in Nepal, Tibet or in any other adjoining foreign territory besides business in India will be required to produce Income-tax Verification Certificate etc. as in the case of other applicants.

(c) Other applicants who claim that they have no office or branch in India should furnish an affidavit to the effect that their firm constitutes of non-Indian Nationals only.

ANNEXURE I

FORM OF CERTIFICATE OF INCOME-TAX ASSESSMENT TO BE PRODUCED BY AN APPLICANT FOR IMPORT AND EXPORT LICENCE.

1. (a) Trade name and address of the assessee (In case of Registration Numbers) the applicant (in case of Exemption Numbers).
- (b) Names of branches if any of 1(a) with their addresses.
2. Name and address of the person making this application and the interest he has in 1 above.
3. Year in which the business was established.
4. Whether the applicant is assessed to Income-tax as:—
 - (i) Individual
 - (ii) Hindu Undivided Family.
 - (iii) Company.
 - (iv) Firm, or
 - (v) Association of persons.
5. The Income-tax Circle/Ward/District in which the applicant is assessed to Income-tax.
6. 'Line or Lines' in which the applicant is doing business (by Major Heads).
7. Reference No. (or G.I.R.) of the assessment.
8. (a) Where maximum Income-tax paid during any one of the past five years was:—
 - (a) Upto Rs. 100.
 - (b) From Rs. 101 to Rs. 249.
 - (c) From Rs. 250 to Rs. 499.
 - (d) From Rs. 500 to Rs. 999.
 - (e) From Rs. 1,000 to Rs. 4,999.
 - (f) From Rs. 5,000 to Rs. 9,999.
 - (g) From Rs. 10,000 and above.

NOTE.—The above entries may be completed also in the case of firms registered under the Indian Income-tax Act, 1922 with reference to the tax that would be payable if assessed as an un-registered firm.

(b) In case no final assessment has been made it should be stated whether tax paid in advance (or payable) on the basis of return filed under Section 22(1) or (2)23, (b), 18-A(3) of the Income tax Act was:—

- (a) Upto Rs. 100.
- (b) From Rs. 101 to Rs. 249.
- (c) From Rs. 250 to Rs. 499.
- (d) From Rs. 500 to Rs. 999.
- (e) From Rs. 1,000 to Rs. 4,999.
- (f) From Rs. 5,000 to Rs. 9,999.
- (g) From Rs. 10,000 and above.

NOTE.—The above entries may be completed also in the case of firms registered under the Indian Income-tax Act, 1922 with reference to the tax that would be payable if assessed as an un-registered firm.

9. Please attach a list of:—

- (a) Partners with their addresses if the concern is a firm.
- (b) Persons with their addresses if the concern is an association.
- (c) Adult male members if it is a family concern.

(d) In case of private Limited Companies the names of all shareholders including the directors with their addresses.

(e) In the case of public Limited concerns certificate of incorporation and certificate to prove that the firm is a Public Limited Company.

10. I declare that the above mentioned information is correct and complete to the best of my information and belief.

Signature of the applicant or his
authorised Agent.

(TO BE FILLED BY THE INCOME-TAX OFFICER)

1. In my opinion the applicant mentioned above has been doing everything possible to pay the tax demands promptly and regularly and to facilitate the completion of the pending or outstanding proceedings.

2. This is a case for allotment of Exemption number.

(i) The partners of the firm are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified. The case has been entered in our registers. I have no objection to an Exemption No. being allowed to this firm for a period of one year from this date.

(ii) The Directors of..... (which is a private Limited Company) are either regular tax payers or have filed the prescribed affidavits (the facts stated in which have been verified). The name and address of the case has been entered in our registers. I have no objection to an Exemption Number being allowed to this company for a period of one year from this date.

(iii) M/S. which is a Public Limited Company have filed the Incorporation Certificate and the certificate to prove that it is a Public Limited Company. This case has been entered in our registers. I have no objection to an Exemption Number being allowed to this company for a period of one year from this date. The name and address of this case has been entered in our registers.

*(iv) Shri. of (which is a proprietary concern) is a regular tax payer has filed an affidavit in the prescribed form the facts stated in which have been verified.

I have no objection to an Exemption Number being allotted to this concern for a period of one year from this date.

This case has been entered in our registers.

†(v) Refugee Registration Card or Camp Commandant's certificate has been examined and duly endorsed by me. The name and address of this case has been entered in our registers. I have no objection to an Exemption Number being allowed to this case for a period of one year from this date.

(vi) Shri has been submitting his income tax returns for the past 5 years in the status of an individual/HUF; but no tax was levied as the income was below taxable limit. He may be allotted an exemption number for a period of one year.

Signature of the Income-tax officer, Circle/
Ward/District.

*Delete the item not applicable (Please see 2(iv) above).

† Applicable to those displaced individuals or firms who have entered India within one year from the date of this application.

ANNEXURE II

Affidavits necessary to be produced by classes of applicant falling under paragraph 7 above should contain *inter alia* the following declaration signed by the proprietor, the partners of the firms, members of the H.U.F. or Association or Directors in the case of a Private Limited Company applying for the allotment of Exemption Numbers.

"I/We, Proprietor/Partners/Directors/Members of family or Association or M/S. hereby solemnly declare that I/We have no place of income outside the taxable territories as defined in the Indian Income-tax

Act of 1922 and that my/our income from all sources during the past five years have been below the taxable limit or my/our main source of income during the past five years has been from agriculture which is exempted from payment of tax under Section 4(3) of the Indian Income tax Act, 1922./I/We have had no income from any other source liable to be taxed under the said Act."

Co-operative Societies registered under Act II of Co-operative Societies of 1912 declare that their's is a non-profit making body exempted from payment of Income-tax under F.D. (CR) Notification R-Dls-No. 29-IT/25, dated the 5th August, 1925, as amended from time to time.

ANNEXURE III

Area where applicants may be residing or where their Income-tax Officers granting the Income-tax Verification Certificate are stationed:

Authority to whom application for allotment of number should be made

1. East Punjab, PEPSU, Himachal Pradesh, Delhi, Rajasthan, Jammu and Kashmir and Ajmer.

The Export Trade Controller, Amritsar.

2. Uttar Pradesh, Assam, Bihar and Orissa, West Bengal, Cooch Behar, Manipur, Tripura, Chandernagore, Vindhya Pradesh, Andaman and Nicobar Islands.

The Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.

3. Madras, Hyderabad and Coorg.

The Dy. Chief Controller of Imports and Exports, Madras.

4. Travancore-Cochin, District of South Kanara, Malabar and Coimbatore of Madras State, Mysore.

The Dy. Chief Controller of Imports and Exports, Cochin.

5. Bombay, Saurashtra, Madhya Pradesh, Madhya Bharat, Kutch, Bilaspur and Bhopal.

The Joint Chief Controller of Imports and Exports, Gulam Mohamed Bldg., Ballard Estate, Nicol Road, Bombay.